

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ALVORD AND ALVORD
ATTORNEYS AT LAW
1600 K STREET, NW
SUITE 200
WASHINGTON, D.C.
20006-2973
(202) 393-2266
FAX (202) 393-2156

RECORDATION NO. 23498 FILED

MAY 29 '01 3-46 PM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

May 29, 2001

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of a Memorandum of Mortgage, dated as of May 29, 2001, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Debtor: The Emerson Partnership, LLP
c/o Stills Limited
Queensgate House
P.O. Box 1093 GT
George Town
Grand Cayman
Cayman Islands

Secured Party: Lombard North Central plc
Corporate Finance Division
No. 2 Waterhouse Square
138-142 Holborn
London EC1N 2TH

Mr. Vernon A. Williams
May 29, 2001
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A description of the railroad equipment covered by the enclosed document is:

one thousand and thirteen (1013) railcars in five groups bearing CTRN, STSX and CDRX reporting marks and road numbers attached hereto.

A short summary of the document to appear in the index is:

Memorandum of Mortgage, dated as of May 29, 2001, between The Emerson Partnership, LLP, Debtor, and Lombard North Central plc, Secured Party.

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Robert W. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/bjg
Enclosures

EQUIPMENT

# Cars	Year Built	Description	Reporting Marks	Casualty Marks
89	1991	3,870 cubic foot, 100 ton aluminum rapid discharge coal hopper railcars, manufactured by Bethlehem Steel.	CTRN 400001-400115, inclusive	CTRN 400002, 400007, 400008, 400013, 400014, 400023, 400031, 400032, 400034, 400037, 400044, 400049, 400058, 400059, 400064, 400066, 400069, 400074, 400083, 400086, 400094, 400098, 400102, 400103, 400106, 400114

EQUIPMENT

<u># Cars</u>	<u>Year Built</u>	<u>Description</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
114	1993	4,000 cubic foot, 100 ton aluminum quadruple coal hopper cars, manufactured by Johnstown America.	CTRN 600001, 600003 – 600014, inclusive; 600016-600021, inclusive; 600027, 600029, 600034, 600035, 600071 – 600124, inclusive; 600126 – 600139, inclusive; 600141, 600144 – 600156, inclusive and 600158 – 600167, inclusive	CTRN 600102

EQUIPMENT

<u># Cars</u>	<u>Year Built</u>	<u>Description</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
89	1993	4,000 cubic foot, 100 ton aluminum quadruple coal hopper cars, manufactured by Johnstown America.	CTRN 600002, 600015, 600022 – 600026, inclusive; 600028, 600030 – 600033, inclusive; 600036 – 600070, inclusive; 600125, 600140, 600142, 600143, 600157, 600168 – 600204, inclusive.	

EQUIPMENT

<u>#</u> <u>Cars</u>	<u>Year</u> <u>Built</u>	<u>Description</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
146	1989	3,000 cubic foot cement covered hoppers railcars. 49 cars manufactured by Trinity Industries, 97 cars manufactured by Thrall Car.	CRDX 9200 – 9295, inclusive; 9376-9379, inclusive; 9300 – 9319, inclusive; 9380 – 9399, inclusive; 9370 – 9375, inclusive; 9296 – 9299, inclusive.	CRDX 9206, 9246, 9247, 9399

MEMORANDUM OF MORTGAGE

Memorandum of Mortgage, made and entered into as of MAY 29, 2001 between THE EMERSON PARTNERSHIP, LLP (the "Debtor") and LOMBARD NORTH CENTRAL plc, as Indenture Trustee under the Trust Indenture referred to below (together with its successors and permitted assigns, the "Indenture Trustee"). Terms used in this instrument have the meanings assigned thereto in the Trust Indenture and Security Agreement (U.S. Intol Rail) dated as of May 29, 2001 among the Debtor, the Indenture Trustee, Crosby Limited, Silentdale Limited, Stills Limited, Lloyds TSB Leasing Limited and The Royal Bank of Scotland plc, New York Branch.

WITNESSETH:

The undersigned has entered into the Trust Indenture, by which it has granted a first priority security interest in certain railroad equipment bearing reporting marks and road numbers as listed on Exhibit A attached hereto and in each lease referred to on Exhibit B attached hereto to the Indenture Trustee in order to secure the obligations as described in the Trust Indenture.

IN WITNESS WHEREOF, the Debtor has caused this memorandum to be duly executed by its officer duly authorized as of the date and year first above written.

THE EMERSON PARTNERSHIP, LLP
by Stills Limited, as general partner

By: _____

Name: _____

Title: _____

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SURFACE TRANSPORTATION BOARD

STATE OF NEW YORK)

COUNTY OF NEW YORK)

On the 24TH day of MAY in the year 2001 before me personally came MICHAEL LYPKA to me known, who, being by me duly sworn, did depose and say that he/she/they reside(s) at 55 W; that he/she/they is (are) the AHORNEY - IN-FACT ([president or other officer or director or attorney in fact] duly appointed) of the STILLS LIMITED, the corporation described in and which executed the above instrument; and that he/she/they signed his her their name(s) thereto by authority of the board of directors of said corporation.


Notary Public

[Notarial Seal]

PATRICIA A. WAGES
Notary Public, State of New York
No. 01WA6051049
Qualified in Queens County
Commission Expires November 13, 2002

EXHIBIT A

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

EXHIBIT B

LIST OF LEASES AND OTHER OPERATIVE AGREEMENTS

1. Railcar Lease Agreement dated as of April 28, 1993, entered into by and between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Union Pacific Railroad Company (formerly known as Southern Pacific Transportation Company).

Rider A to Railcar Lease Agreement dated as of April 28, 1993, entered into by and between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Union Pacific Railroad Company (formerly known as Southern Pacific Transportation Company).

Supplement and Acceptance Certificate dated April 29, 1993, between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Union Pacific Railroad Company (formerly known as Southern Pacific Transportation Company).

Tax Indemnity Agreement dated as of April 28, 1993, between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Union Pacific Railroad Company (formerly known as Southern Pacific Transportation Company).

2. Railroad Equipment Lease, dated as of October 18, 1990, entered into by and between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Trinity Industries Leasing Company.

Acceptance Certificate No. 201 to Master Railroad Equipment Lease No. 7060, dated as of October 18, 1990, entered into by and between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Trinity Industries Leasing Company.

Letter dated December 4, 2000 from Trinity Industries Leasing Company to Babcock & Brown Rail Funding LLC (as assignee of CIT Group/Equipment Financing, Inc.)

3. Amended and Restated Equipment Lease Agreement dated as of December 22, 1993, entered into by and between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Union Pacific Railroad Company (formerly known as Southern Pacific Transportation Company).

Lease Supplement No. 2 to Amended and Restated Equipment Lease Agreement dated as of December 22, 1993, entered into by and between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Union Pacific Railroad Company (formerly known as Southern Pacific Transportation Company).

4. Amended and Restated Equipment Lease Agreement dated as of December 22, 1993, entered into by and between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Union Pacific Railroad Company (formerly known as Southern Pacific Transportation Company).

Lease Supplement No. 1 to Amended and Restated Equipment Lease Agreement dated as of December 22, 1993, entered into by and between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Union Pacific Railroad Company (formerly known as Southern Pacific Transportation Company).

5. Master Lease Agreement dated as of February 26, 1991, entered into by and between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Chicago Freight Car Leasing Co.

Acceptance Supplement No. 00101 to Master Lease Agreement dated as of February 26, 1991, entered into by and between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Chicago Freight Car Leasing Co.

First Amendment to Master Lease Agreement dated as of December 29, 1993, between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Chicago Freight Car Leasing Co.

Assignment and Security Agreement dated as of February 26, 1991, between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Chicago Freight Car Leasing Co.

Letter Agreement dated April 15, 1996, between Babcock & Brown Rail Funding LLC (as assignee of The CIT Group/Equipment Financing, Inc.) and Chicago Freight Car Leasing Co.

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: May 29, '01



Robert W. Alvord